

R E M A R K S

The present application has been reopened for prosecution per the Panel Decision mailed on February 29, 2008. Although the present Non-final Office Action mailed on July 11, 2008 (hereinafter, the “Second Restriction Requirement”) states: “A new ground(s) of rejection is set forth here below”, in fact *no* new grounds of rejection is stated.

I. The Second Restriction Requirement is Inappropriate

Applicants point out that this is **the second time** that a Panel Decision has been issued during the prosecution of this application ordering prosecution to be reopened (the first being mailed on March 24, 2006). Applicants also point out that this case has been pending now for over eight years, and this is **the second time** that the Examiner has issued a Restriction Requirement concerning claims 49-62, 70 and 73-80. In particular, the Non-final Office Action mailed on March 24, 2005 (hereinafter, the “First Restriction Requirement”) included the following restriction of these **same claims**:

- Group I claims: 49-62, classified in class 705, subclass 35
- Group II claims: 70 and 73-79; classified in class 705, subclass 14; and
- Group III claim 80: classified in class 705, subclass 38.

Applicants’ representative telephoned the Examiner in April, 2005 and stated that the First Restriction Requirement did not seem appropriate and requested clarification as to the basis for the restriction. In particular, our representative noted that some of the restricted claims had already been examined and rejected *twice* by that time in 2005, and that no indication had been given as to why examination of all of the pending claims was deemed unreasonably burdensome. The Examiner stated during that conversation that she would consult with another individual at the USPTO and then would contact our representative regarding the First Restriction Requirement. On April 5, 2005, the Examiner left a voice message on our representative’s phone indicating that she would withdraw the First Restriction Requirement, and it was in fact withdrawn.

Now, at this late date in the prosecution, the Examiner has reinstated *virtually the same restriction/election requirement*, and the claims have been grouped as follows:

- Group I claims 49-62 and 80; classified in class 705, subclass 39; and
- Group II claims 70 and 73-79; classified in class 705, subclass 77.

Applicants believe that the Second Restriction Requirement is *inappropriate*, as *all* of the restricted claims have been examined *on the merits two additional times* since the First Restriction Requirement in March, 2005, for a cumulative total of *four times examined on the merits*. Thus, Applicants cannot understand why, at this late juncture, the examination of all of the same pending claims is unduly burdensome, and therefore request withdrawal of the Second Restriction Requirement.

Furthermore, Applicants were dumbfounded upon reading the Second Restriction Requirement, as it is virtually the same as the First Restriction Requirement, which was withdrawn as being inappropriate. Even more astounding is that *different* subclasses have been assigned in the Second Restriction Requirement to *similar* groupings of the pending claims. In particular, the Second Restriction Requirement states that the Group I claims 49-62 and 80 are in class 705, subclass 39, while the First Restriction Requirement states that the Group I claims 49-62 are in class 705, subclass 35. But *none* of claims 49-62 have been amended in any manner since the First Restriction Requirement, and therefore we cannot fathom how or why these claims are categorized differently now.

The same questionable procedure seems to have been applied to the Second Restriction Requirement Group II claims 70 and 73-79, which have been classified in class 705, subclass 77, whereas in the First Restriction Requirement the *same* claims were classified in class 705, subclass 14. Although claim 70 was amended slightly to include the phrase “by a processing device” during prosecution in 2005, Applicants still cannot understand how these claims could logically be categorized in a different subclass now.

Therefore, it appears that categorization of claims into subclasses is at least somewhat arbitrary, and therefore that there really is no serious burden to examine *all* of the pending claims in the same application.

Applicants note the Examiner's apology on page 6 of the Second Restriction Requirement, but in view of the prosecution history of this application such an apology does not ring true. We continue to be frustrated by the failure of the Examiner to advance prosecution of this application, and again submit that the Second Restriction Requirement should be withdrawn as it is inappropriate. We also pray that the Examiner will promptly issue an Office Action on the merits that actually advances prosecution, rather than merely prolonging it.

As required, Applicants hereby provisionally elect to prosecute the Group I claims 49-62 and 80 with traverse, and respectfully reassert that all of the pending claims 49-62, 70 and 73-80 could be examined without serious burden to the Examiner. Applicants accordingly reserve the right to Petition the Second Restriction Requirement should it be made final, and also reserve the right to file one or more divisional patent applications that include the subject matter of the Group II claims 70 and 73-79.

Applicants hereby request reconsideration and withdrawal of the Second Restriction Requirement in view of the above remarks and the following arguments, and pursuant to 37 C.F.R. §1.143.

II. Establishing a *Prima Facie* Case for Restriction

Restriction of the pending claims is not believed to be appropriate in this case. Specifically, Applicants respectfully submit that the Examiner has failed to establish a *prima facie* case for restriction.

A. Proper Basis for Restriction

1. Generally

Restriction is proper only where an application contains claims directed to two or more independent or distinct inventions. MPEP §802.01. The term "independent" is defined as meaning "that there is no disclosed relationship between the two or more subjects disclosed, that is, they are unconnected in design, operation, or effect". MPEP §§802.01, 806.06. To establish a *prima facie* case for restriction where the basis for restriction is that the different inventions being claimed are "independent", the Examiner

must demonstrate "the reasons...why the inventions as claimed are...independent". MPEP §808.01. The term "distinct", as used in restriction practice, means that two or more claimed subjects are "(1) capable of separate manufacture, use or sale; and (2) are patentable over each other". *Id.* To establish a *prima facie* case for restriction where the basis for restriction is that the inventions are "distinct", the Examiner must establish (1) "the reasons (as distinguished from the mere statement of conclusion) why the inventions *as claimed* are...distinct", and (2) "the reasons for insisting upon restriction therebetween". MPEP §808.01.

2. Combination and Subcombination

In some cases, claims may be directed to combinations, subcombinations, or elements of a combination. For restriction of combination and subcombination claims to be proper, "both two-way distinctiveness and reasons for insisting on restriction are necessary." MPEP §806.05(c). In particular, the inventions are distinct if the claimed combination (1) "does not require the particulars of the subcombination as claimed for patentability", and (2) "the subcombination can be shown to have utility either by itself or in other and different relations". *Id.* "Where these factors cannot be shown, such inventions are not distinct." *Id.*

B. The Examiner's Case as Set Forth

The Examiner supports the Second Restriction Requirement by simply stating that the Group I claims and the Group II claims are related as combination and subcombination. The Examiner further states, for each claim grouping, (1) that the particulars of the subcombination are not required by the combination, and (2) that the subcombination has separate utility. But the Examiner provides no argument, much less evidence (much less substantial evidence) that point one (1) is valid. In fact, the Examiner merely copied and pasted the claim limitations of the alleged subcombinations as somehow being self-supporting of the allegation of that the particulars of the subcombination are not required by the combination. With regard to point two (2), the Examiner alleges:

The subcombination has separate utility such as Invention I can be used in other environments such as making payment calculations for a loan or a mortgage and Invention II can be used for determining the behavior of a consumer as to what makes the customer satisfied with the credit card or debit card or loan or mortgage terms offered.” (Second Restriction Requirement, page 4)

But this statement has no basis; there is no proof offered by the Examiner that all of the pending claims could not be used in the same environment. Moreover, the characterization of Invention I as being utilized for making payment calculations for a loan or mortgage is simply incorrect. For example, Group I claim 49 recites calculating a payment that is based on a modification of a parameter (of a credit account) from a first value to a second determined value, and *providing an offer* to the customer that includes an offer to provide the payment *if the customer agrees to the modification*.

The Examiner also states that Invention II has a separate utility for “determining the behavior of a consumer as to what makes the customer satisfied with the credit card or debit card or loan or mortgage terms offered.” Applicants understand the Examiner is saying that in using Invention II, an entity could determine what terms are acceptable to a customer. Applicants do not disagree, but respectfully submit that Invention I would also allow an entity (e.g., a credit card issuer) to determine what parameter values would satisfy a customer.

C. Incorrect Basis for Restriction

The Examiner states that claim Groups I and II are related as **combination and subcombination**. However, the Examiner fails to point out which Invention is alleged to be a combination, and which a subcombination. The Examiner has failed to establish a *prima facie* case for restriction for at least this reason.

Further, Applicants respectfully assert, after having reviewed the pending claims in great detail, that the Inventions are not related as combination and subcombination. Two claims that share a common element (such as claims 49 and 70) are not a combination and subcombination merely because of a shared element (a claim to AB is not a combination or subcombination of a claim to CB). Although claims 49 and 70 share

similar elements, neither is a subcombination of the other. (We note that none of the pending claims can be identified as AB or B; B being broad or narrow, as described in MPEP §806.05(c) I and II).

Two claims that share a common element are not a combination and subcombination merely because of the shared element (a claim to AB is not a combination or subcombination of a claim to CB). Instead, as described in MPEP §806.05(c) I and II, one claim must be identified as AB (*i.e.*, the combination) and another claim must be identified as B, B being broad or narrow (*i.e.*, the subcombination). In this case, Applicants respectfully note that claim 49 may be generally identified as containing elements ABCD, while claim 70 may generally be identified as containing elements EA'C'D' (where A', C' and D' are similar but not identical to elements AC and D). In other words, the two claims cannot be considered combination and subcombination.

Applicants therefore respectfully submit that the Examiner has relied on improper grounds for imposing the Second Restriction Requirement, and accordingly request that it be withdrawn.

D. No Prima Facie Case – "Independent" Restriction

The Examiner states that restriction is proper because "all these inventions listed in this action are independent or distinct for the reasons given above...". But no evidence has been provided showing that the Group I claims are independent from the Group II claims, nor has the Examiner provided adequate reasons showing that these groups of claims are distinct from each other (see comments above). Thus, the Examiner has *not* met her *prima facie* burden.

Applicants respectfully point out that "independent" inventions, as defined in restriction practice, are "not connected in design, operation, or effect." MPEP §§802.01, 806.06. An example of "independent" inventions would be claims directed to both "an article of clothing and a locomotive bearing". MPEP §806.06. Clearly, where all the currently claimed embodiments are generally directed to providing a customer with an

offer to provide a payment if the customer agrees to a modification of a parameter of a credit account, no such independence exists.

E. No Prima Facie Case – "Distinct" Restriction

If the Examiner had intended to impose the restriction based on "distinct" inventions, the *prima facie* burden has not been met. No reasons for believing the separate alleged groups of claims are "distinct" have been set forth, nor has the second requirement of presenting reasons for insisting upon restriction been complied with. The Examiner has failed to show that (1) that each claimed invention "has attained recognition in the art as a separate subject for inventive effort, and also a separate field of search", (2) that even if classified together they have formed separate subjects for inventive effort, or (3) that a different field of search is required. MPEP §808.02. Absent such showings as required by MPEP §808.02, no *prima facie* case for restriction under the "distinct" theory is established. Where "the classification is the same and the field of search is the same and there is no clear indication of separate future classification and field of search, no reasons exist for dividing among related inventions." *Id.*

Furthermore, Applicants submit that the designated inventions do ***not*** require a "different field of search". In other words, any search concerning Group I claims 49-62 and 80 is likely to result in finding art pertinent to Group II claims 70 and 73-79 as well. The record supports our assessment, as the same prior art has been applied consistently against all of the claims (see, for example, the Section 103(a) rejections of the Non-final Office Action of June 30, 2006, and the Section 103(a) rejections of the Final Office Action of December 23, 2005). Furthermore, the Examiner is presumed to have ***already fully searched*** all of the pending claims.

Yet further, the Examiner has not provided any reasons, nor any support, for the contention that: "the inventions have acquired a separate status in the art due to their recognized divergent subject matter". To the contrary, we submit that one skilled in the art would recognize that the Group I claims are related to the Group II claims. The Examiner **admits** such when she states that these two groups of claims ***are*** related (see

page 3 of the Second Restriction Requirement), and the assertion that the inventions are directed to the same Class 705.

F. No Prima Facie Case – "Combination and Subcombination" Restriction

Even if the claims of Groups I and II were combination and subcombination claims, which Applicants maintain they are not, the Examiner has not met the *prima facie* burden. For example, the Examiner has not shown "both two-way distinctiveness" or provided "reasons for insisting on restriction." MPEP §806.05(c). The Examiner merely states the allegation that the particulars of the subcombination are not required for patentability, without providing any support for such a statement other than by cutting and pasting the limitations of the alleged subcombination claims. Applicants contend that this effort by the Examiner does not lend any support for the present grounds for restriction. Nor does the Examiner provide adequate reasons for insisting upon restriction. The Examiner has not, for example, set forth any valid reasoning in support of any potential undue burden that examination of the pending claims may impose on the Examiner.

G. The Examiner has Failed to Establish an Undue Burden

Even if a *prima facie* case for restriction establishes that an application includes independent or distinct inventions, restriction is not proper "[i]f the search and examination of [the] entire application can be made without serious burden." MPEP §803. Applicants respectfully assert that restriction is not proper in this case because there is no indication that any serious burden exists. In particular, (1) there is no separate classification of the alleged claim groups which would necessitate a separate field of search; (2) the alleged claim groups can be searched using the same field of search without unduly burdening the Examiner; (3) the alleged claim groups have *already* been searched multiple times by the Examiner; and (4) the alleged claim groups are not related to any class of invention which has achieved a separate status in the art. See, MPEP §808.02.

In particular, Applicants note that all of the claims of Group I and Group II have been classified into the same Class 705. However, the same groups of claims have been placed into one sub-category in the First Restriction Requirement, and into a *different* sub-category in the Second Restriction Requirement. Thus, not only do Applicants not understand how the Examiner can arbitrarily change the sub-category determinations, we cannot understand how an argument can be made that the “inventions have acquired a separate status in the art in view of their different classifications”.

Applicants respectfully note that the Examiner has failed to establish that examining Groups I and II together would constitute an “undue burden” (even if a *prima facie* case for restriction establishes that an application includes independent or distinct inventions, restriction is not proper “[i]f the search and examination of [the] entire application can be made without serious burden.”; MPEP §803). Without evidence to the contrary, the Examiner has failed to establish a *prima facie* case for restriction of the pending claims. In this case, the Examiner merely lists a host of potential scenarios where an undue burden could exist, without alleging, much less supporting by evidence, which of the listed scenarios is believed to apply to the pending claims.

In general, Applicants believe that all pending claims can readily be searched and examined together without undue burden on the Examiner. As noted above, this application has been the subject of *two* Pre-Appeal Brief Requests for Review, resulting in the re-opening of prosecution *twice*. Thus, the Examiner has already searched *all* of the pending claims *multiple times*, and in fact has already *examined these claims on the merits four (4) times*. Applicants respectfully submit that, contrary to what is asserted in the Second Restriction Requirement, the Examiner has demonstrated repeatedly that examination of all the pending claims is *not* a serious burden. Accordingly, any burden on the Office should not be “undue”, at least because any such burden has been entirely self-inflicted by the Office by no fault of the Applicants.

Thus, even if the Examiner had set forth a *prima facie* case for restriction, **restriction** would still *not* be **proper** in this case.

III. Conclusion

In view of the foregoing, Applicants respectfully request that the Second Restriction Requirement be **withdrawn** upon reconsideration. All pending claims currently remain in the case and are believed patentable, and thus Applicants respectfully request allowance of the pending claims. Applicants' silence with respect to any comments made in the Second Restriction Requirement does not imply agreement with those comments.

If the Examiner has any questions regarding this Response or the present application, the Examiner is requested to contact Stephan Filipek at the Examiner's convenience at telephone number (203) 461-7252 or via electronic mail at sfilipek@walkerdigital.com.

IV. Petition for Extension of Time & Authorization to Charge Appropriate Fees

Applicants hereby petition for a two month extension of time to respond to the Office Action, and authorize the Commissioner to charge our Deposit Account No. 50-0271; Order No. 96-108-C2 for the surcharge fee.

No other fees are believed to be due for this Response, but please charge any fees that may be required to Deposit Account No. 50-0271. In addition, please credit any overpayment to Deposit Account No. 50-0271.

Respectfully submitted,

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Date

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